

#### United States Department of the Interior BUREAU OF LAND MANAGEMENT Eastern States 20 M Street, SE Suite 950 Washington, DC 20003 http://www.blm.gov/es



# DECISION RECORD FOR BLM EASTERN STATES SEPTEMBER 2018 COMPETITIVE OIL AND GAS LEASE SALE ENVIRONMENTAL ASSESSMENT:

DOI-BLM-ES-0020-2018-0004-EA & DOI-BLM-ES-0030-2017-0009-EA

#### **INTRODUCTION**

The Bureau of Land Management (BLM) proposes to lease, for potential oil and gas development, 16 parcels, representing a total of 3,120.06 acres. The total acreage comprises 8 parcels, located within the Arkansas counties of Stone and Cleburne, and 8 parcels, located within the Michigan county of Muskegon. The parcels would be a part of the September 2018 BLM Eastern States Competitive Oil and Gas Lease Sale (September Sale) and are comprised of 9 Expressions of Interest (EOI). All of the 8 Arkansas parcels are privately owned surface and their subsurface is public domain (EOIs: 1103, 1148, 1469, 1770, 1173, 726). Furthermore, all of the 8 Michigan parcels are privately owned surface, while the subsurface is either public domain (EOI: 1465) or acquired minerals (EOIs: 1457, 1459).

A federal oil and gas lease is a legal contract that grants exclusive rights to the lessee to develop federally-owned oil and gas resources, but does not authorize surface-disturbing activities or obligate the lessee to drill a well on a parcel in the future. Interested parties, such as private individuals or companies, may file EOIs to nominate parcels for competitive bid and leasing by the BLM. If the parcels are leased and the lessee identifies a detailed plan for oil and gas development for the parcels in the future, an Application for Permit to Drill (APD) would have to be submitted by the lessee. During this process, the BLM would conduct site-specific environmental analysis and any additional consultations, with any pertinent agency, prior to authorizing any ground disturbing activities.

The BLM analyzed the Proposed Action in two Environmental Assessments: DOI-BLM-ES-020-2017-0004-EA for the Arkansas parcels and DOI-BLM-ES-0030-2017-0009-EA for the Michigan parcels. The BLM also completed a Finding of No Significant Impact (FONSI) for each of the two EAs. These documents provide the required documentation under the National Environmental Policy Act (NEPA), to facilitate the orderly exploration, development, and production of mineral and energy resources, on the proposed acreage, in a manner that avoids or minimizes adverse effects to resources to the maximum extent practicable, including threatened and endangered species.

#### **DECISION**

The NEPA documents for Arkansas and Michigan analyzed two alternatives. These were whether to lease the parcels or withhold parcels from leasing, which was identified as the no action alternative. The alternative of leasing was selected for the September Sale because it was the

alternative that best met the purpose and need of supporting the development of oil and natural gas resources, as mandated by various laws, including the Mineral Leasing Act of 1920, as amended (30 U.S.C. §181 et seq.), the Federal Land Policy and Management Act of 1976 (FLPMA), and the Energy Policy Act of 2005, while also minimizing adverse effects to natural and cultural resources to the maximum extent practicable.

As a result of the analyses presented in the EA for the Arkansas parcels and the EA for the Michigan parcels, it is my decision to authorize offering for lease 16 parcels (3,120.06 acres) for the September 2018 Competitive Oil and Gas Lease Sale. The Proposed Action coupled with lease stipulations, best management practices, and lease notices demonstrate that all practicable and reasonable means to avoid or minimize environmental harm have been adopted. As a result, the Proposed Action would not result in unnecessary or undue degradation of public lands and resources.

Therefore, BLM will issue competitive leases for parcels sold at the sale, and non-competitive leases may be issued for applications filed for two years after the sale for the unsold parcels, pursuant to 43 CFR 3120.6.

#### **AUTHORITIES**

The authority for this decision is contained in the Mineral Leasing Act of 1920, as amended; the Mineral Leasing Act for Acquired Lands of 1947, as amended; the Federal Land Policy and Management Act (FLPMA) of 1976; and the Energy Policy Act of 2005.

#### TERMS/CONDITIONS/STIPULATIONS

Standard terms and conditions, as well as the lease notices and stipulations, identified within the Sale Notice, would apply and be attached to the lease parcels.

Additionally, any purchaser of a Federal oil and gas lease is required to comply with all applicable Federal, State, and local laws and regulations including obtaining all necessary permits required prior to the commencement of project activities, including but not limited to the following:

- National Environmental Policy Act (1969) and the associated Council on Environmental Quality regulations at 43 CFR Parts 1500-1508
- FLPMA (1976) as amended and the associated regulations at 43 CFR Part 1600
- Mineral Leasing Act (1920) as amended and the regulations at 43 CFR Part 3100
- Clean Water Act (1977)
- Clean Air Act (1970) as amended
- National Historic Preservation Act (NHPA) (1966) as amended and the associated regulations at 36 CFR Part 800
- Endangered Species Act (ESA) (1973) as amended
- Migratory Bird Treaty Act (1918)
- Resource Conservation and Recovery Act (RCRA) (1976) as amended
- Executive Order 11988- Floodplain Management
- Executive Order 11990 Protection of Wetlands

- Executive Order 12898 Environmental Justice in Minority Populations & Low-Income Populations
- Oil and Gas Leasing Reform Land Use Planning and Lease Parcel Reviews (BLM-WO-IM 2018-034)

#### PUBLIC INVOLVEMENT

The BLM created a website for the September 2018 lease sale that is accessible through the BLM National NEPA Register ePlanning site (https://bit.ly/2JvPxaa). The website provides links to NEPA documents, opportunities for public involvement, EOI information, and links to additional project information. The proposed EA and FONSI, for the Arkansas parcels, were posted for a 30-day public comment period from November 16, 2017 – December 15, 2017, and the BLM did not receive any comments on the EA or FONSI. Furthermore, the proposed EA and proposed FONSI, for the Michigan parcels, were posted for a 30-day public comment period from May 31-June 29, 2018, and the BLM did not receive any comments on the proposed EA or FONSI.

#### Protests (September 2018 Lease Sale)

The competitive lease sale notice was posted on the BLM National NEPA Register ePlanning site on August 6, 2018 (https://bit.ly/2JvPxaa). This initiated a 10-day protest period of the parcels proposed for the September 2018 lease sale. The protest period ended on August 16, 2018 and the BLM received 1 protest on 2 parcels that, upon further review by the State Office, are no longer part of this lease sale but may be part of future ones.

#### **CONSULTATIONS**

#### Arkansas parcels

The BLM conducted and completed the informal consultation with the U.S. Fish and Wildlife Service (USFWS) in compliance with the ESA Section 7 consultation requirements. The BLM initiated informal consultation with USFWS on August 25, 2017 and received a concurrence letter on October 13, 2017 consistent with BLM's determination that the proposed action may affect but is not likely to adversely affect the Indiana Bat, Gray Bat, Northern-Long Eared Bat, Speckled Pocketbook, Rabbitsfoot and Yellowcheek Darter, as well as the BLM's determination that the proposed action will have no effect on Pink Mucket, Fat Pocketbook, Scaleshell, and Snuffbox freshwater mussels, the Hell Creek Cave Crayfish, and the Piping Plover. The BLM also conducted consultation with the Arkansas State Historic Preservation Office (SHPO) from March 8, 2017 to May 31, 2017. The BLM received multiple concurrence letters from SHPO between March 20, 2017 and May 31, 2017.

Finally, the BLM also coordinated with Native American tribes (listed below) from March 8, 2017 to May 31, 2017. Responses agreeing that cultural resource studies are warranted prior to approval of any development proposals were received from 7 tribes (marked with a \* in the list below) from March 15, 2017 to May 31, 2017.

The following tribes were contacted:

- Absentee Shawnee Tribe\*
- Absentee Shawnee Tribe of Oklahoma
- Alabama-Quassarte Tribal Town

- Arkansas Historic Preservation Program
- Arkansas Natural Heritage Commission
- Cherokee Nation\*
- Cherokee Nation of Oklahoma
- Delaware Nation
- Delaware Tribe
- Eastern Band of Cherokee
- Eastern Shawnee Tribe\*
- Osage Nation\*
- United Keetoowah Band of Cherokee\*
- Quapaw Tribe of Oklahoma
- Seminole Nation of Oklahoma\*
- Shawnee Tribe\*
- Tunica-Biloxi Tribe of Louisiana

#### Michigan parcels

The BLM conducted and completed the required informal consultation with the USFWS in compliance with the ESA Section 7 consultation requirements. Utilizing geospatial information, the BLM consulted with the FWS through their Information for Planning and Consultation (IPaC) website on March 7, 2018 for an official species list. In addition, the BLM prepared a biological assessment (BA) that was provided to the FWS on May 1, 2018, pursuant to its required consultation with the FWS. This BA and the resulting concurrence of "no effect" to T&E species from the FWS are available for review in the case file at the Northeastern States District Office. The BA includes possible Conditions of Approval (COAs) that the BLM would recommend or, when it has the legal authority to do so, require for use on private surface.

The BLM also conducted and completed the required consultation with the Michigan State Historic Preservation Office (SHPO). An email was sent to the SHPO on February 14, 2018. To date, the Michigan SHPO has not responded to the email indicating that they have found no need to consult at this stage. Further consultation would occur at the APD phase prior to ground disturbing activities. Finally, the BLM also coordinated with Native American tribes on February 14, 2018 but till this date has not received a response back, indicating that they have found no need to consult at this stage. Further consultation would occur at the APD phase prior to ground disturbing activities.

#### The following tribes were contacted:

- Pokagon Band of Potawatomi Indians
- Little River Band of Ottawa Indians
- Sault Ste. Marie Tribe of Chippewa Indians
- Saginaw Band of Chippewa Indians
- Lac Vieux Desert Band of Lake Superior Chippewa Indians
- Bay Mills Indian Community

#### **RATIONALE FOR DECISION**

The decision to authorize the issuance of the leases is based on the following:

Consistency with the resource management plan and the land use plan – The Proposed Action, as applied to the Michigan parcels covered by EOIs 1457 & 1459, is in conformance with the 2006 Forest Plan (U.S. Forest Service, 2006). Under the 2006 Forest Plan, 969,727 acres of federally owned surface would be available for mineral leasing. The BLM was a cooperating agency in development of the 2006 Forest Plan and its related Final Environmental Impact Statement (2006 Forest Plan Final EIS) (U.S. Forest Service, 2006). The Forest Service signed its Record of Decision on March 20, 2006. In addition, as it relates to the Michigan parcel covered by EOI 1465, the Proposed Action, is in conformance with the BLM Michigan Resource Management Plan (BLM, 1985). Section II, Minerals Development, number 1 of the Michigan RMP states: "All Federal mineral ownership is available for exploration and development except where legal restrictions, intergovernmental consistency requirements, administrative or Congressional designations, or surface resource sensitivity prohibit such activities"

Finally, although the proposed lease areas in Arkansas are not covered by a BLM Resource Management Plan, according to the regulations at 43 CFR 1610.8 (b) (1), its EA can be used as the basis for making a decision on the Proposed Action for that area.

- National Policy & Purpose and Need The issuance of the leases meets the BLM's purpose and need for action, which is to support the development of oil and natural gas resources that are essential to meeting the nation's future needs for energy while minimizing adverse effects to natural and cultural resources. The BLM minimizes adverse effects to resources by identifying appropriate lease stipulations and notices, best management practices, and mitigations. It is the policy of the BLM as mandated by various laws, including the Mineral Leasing Act of 1920, as amended (30 U.S.C. §181 et seq.), FLPMA, and the Energy Policy Act of 2005 to make mineral resources available for development to meet national, regional, and local needs. The BLM's oil and gas leasing program encourages the sustainable development of domestic oil and gas reserves which reduces the dependence of the United States on foreign sources of energy as part of its multiple-use and sustainable yield mandate.
- Agency statutory requirements The decision is consistent with all required federal, state, tribal, and county regulations/policies required for implementing the Proposed Action.
- Relevant resource issues and finding of no significant impact As described in the NEPA documents, there would be no direct impacts associated with leasing. There is the potential for minor adverse indirect impacts to resources as a result of potential future oil and gas development; however, none of the impacts were identified as significant and therefore, an environmental impact statement was not required. Additional site-specific NEPA documentation would be completed at the APD stage, should future development occur.

• Application of measures to minimize environmental impacts - Standard terms & conditions, as well as stipulations identified in the EAs would apply to the leases, as required by 43 CFR 3101.3.

#### **Authorized Officer:**

Karen E. Mouritsen

State Director, BLM Eastern States

Attachment 1: Appeals Procedures and Form 1842-1

Attachment 2: Arkansas parcel list with associated stipulations, mitigation measures & notices

Attachment 3: Michigan parcel list with associated stipulations, mitigation measures & notices

Attachment 4: Arkansas Notices & Stipulation Compilation

Attachment 5: Michigan Notices & Stipulation Compilation

#### **Attachment 1: Appeals Procedures**

In accordance with 43 CFR 4.411 and 4.413, any person whose interest is adversely affected by a final decision of the authorized officer may appeal the decision to the Interior Board of Land Appeals (IBLA). The appeal must be filed within 30 days after the date the proposed decision becomes final or 30 days after receipt of the final decision. In accordance with 43 CFR 4.411 and 4.412, the appeal shall state clearly and concisely the reason(s) why the appellant thinks the final decision of the authorized officer is wrong.

Pursuant to 43 CFR 4.21(b) and 4.413(a), an appellant also may petition for a stay of the final decision pending appeal by filing a petition for stay along with the appeal within 30 days after the date the proposed decision becomes final or 30 days after receipt of the final decision. At this time, the BLM will not accept appeals sent by electronic mail. Within 15 days of filing the appeal and any petition for stay, the appellant also must serve a copy of the appeal, and any petition for stay, on any person named in the decision and listed at the end of the decision, and on to the appropriate Office of the Solicitor.

#### STANDARDS FOR OBTAINING A STAY

Pursuant to 43 CFR 4.21(b) (1), a petition for stay, if filed, must show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied;
- (2) The likelihood of the appellant's success on the merits;
- (3) The likelihood of immediate and irreparable harm if the stay is not granted; and,
- (4) Whether the public interest favors granting the stay.

#### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

#### INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

#### DO NOT APPEAL UNLESS

1. This decision is adverse to you,

AND

2. You believe it is incorrect

#### IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

#### 1. NOTICE OF APPEAL.....

A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the Notice of Appeal in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a Notice of Appeal in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).

#### 2. WHERE TO FILE

Bureau of Land Management Eastern States Office 20 M Street SE, Suite 950 Washington D.C. 20003

NOTICE OF APPEAL.....

WITH COPY TO SOLICITOR...

Regional Solicitor, Southeast Region U.S. Department of the Interior 75 Spring Street, SW., Suite 304 Atlanta, Georgia 30303

#### 3. STATEMENT OF REASONS

Within 30 days after filing the Notice of Appeal, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the Notice of Appeal, no additional statement is necessary (43 CFR 4.412 and 4.413).

WITH COPY TO SOLICITOR.....

Regional Solicitor, Southeast Region U.S. Department of the Interior 75 Spring Street, SW., Suite 304 Atlanta, Georgia 30303

#### 4. ADVERSE PARTIES.....

Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the Notice of Appeal, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).

5. PROOF OF SERVICE............ Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).

6. REQUEST FOR STAY....... Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the *Notice of Appeal* and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

> Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

#### 43 CFR SUBPART 1821-GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

#### STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office ------- Alaska
Arizona State Office ------ Arizona
California State Office ------ California
Colorado State Office ------ Colorado
Eastern States Office ------- Arkansas, Iowa, Louisiana, Minnesota, Missouri
and, all States east of the Mississippi River
Idaho State Office ------ Idaho
Montana State Office ------ Montana, North Dakota and South Dakota
Nevada State Office ----- New Mexico, Kansas, Oklahoma and Texas
Oregon State Office ----- Oregon and Washington
Utah State Office ------ Utah
Wyoming State Office ------ Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)

#### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

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2. WHERE TO FILE

Bureau of Land Management Eastern States Office 20 M Street SE, Suite 950 Washington D.C. 20003

NOTICE OF APPEAL.....

WITH COPY TO SOLICITOR ....

United States Department of the Interior

OFFICE OF THE FIELD SOLICITOR, Northeast Region

Three Parkway Center, Suite 385

Pittsburgh, PA 15220

3. STATEMENT OF REASONS

Within 30 days after filing the Notice of Appeal, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the Notice of Appeal, no additional statement is necessary

(43 CFR 4,412 and 4,413).

WITH COPY TO SOLICITOR..... United States Department of the Interior

OFFICE OF THE FIELD SOLICITOR, Northeast Region

Three Parkway Center, Suite 385

Pittsburgh, PA 15220

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Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the Notice of Appeal, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).

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6. REQUEST FOR STAY..... Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the Notice of Appeal and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

> Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

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Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

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Cotorado State Office ------ Cotorado
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and, all States east of the Mississippi River
Idaho State Office ------ Idaho
Montana State Office ------- Montana, North Dakota and South Dakota
Nevada State Office ------- Nevada
New Mexico State Office ----- New Mexico, Kansas, Oklahoma and Texas
Oregon State Office ------- Oregon and Washington
Utah State Office ------- Utah
Wyoming State Office ------- Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)

### Attachment 2: Arkansas parcel list with associated stipulations, mitigation measures & notices

### Private Surface, Public Domain Minerals

Parcel #: ES-001-09/2018 BLM Serial #: ARES059333 PD EOI #: 1103

Arkansas, Stone County T. 13 N., R. 12 W., Fifth Principal Meridian Sec. 36, S1/2SE1/4.

80.00 Acres \$120.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulations for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia big-eared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

#### Parcel #: ES-002-09/2018 BLM Serial #: ARES059334 PD EOI #: 1148

Arkansas, Cleburne County T. 12 N., R. 11 W., Fifth Principal Meridian Sec. 36, SE1/4SE1/4.

40.00 Acres \$60.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulations for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, Bald Eagle, and Bats: Indiana bat, Ozark big-eared bat, Virginia big-eared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

The lands included in this parcel are fully committed to Communitization Agreement (CA) ARES056581, approved effective May 4, 2009. The successful bidder is required to file evidence of having entered into an agreement with the CA operator for the development and operation of the subject lands under the terms and provisions of the approved communitization agreement.

The successful bidder should immediately contact the CA Operator XTO Energy Inc., 810 Houston Street, Ste. 2000, Fort Worth, Texas 76102-6298. In order to join the CA, the operator will give instructions about executing copies of the joinder agreement. Five duplicate originally signed copies of the joinder agreement must be furnished to the

BLM, Southeastern States District Office, 273 Market Street, Flowood, Mississippi 39232.

When the evidence is filed with the above office, a copy of the transmittal letter must be filed in the State Office in Washington, DC, mail to: Bureau of Land Management-Eastern States Office, Attention: Division of Natural Resources (ES-934), 20 M Street, S.E., Suite 950, Washington, DC 20003.

#### Parcel #: ES-003-09/2018 BLM Serial #: ARES059335 PD EOI #: 1469

Arkansas, Cleburne County
T. 12 N., R. 11 W., Fifth Principal Meridian
Sec. 24, SW1/4SW1/4.

40.00 Acres \$60.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulations for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia big-eared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

#### Parcel #: ES-004-09/2018 BLM Serial #: ARES059336 PD EOI #: 1770

Arkansas, Cleburne County T. 12 N., R. 11 W., Fifth Principal Meridian Sec. 4, SE1/4SW1/4.

40.00 Acres \$60.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulation for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia big-eared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

#### Parcel #: ES-005-09/2018 BLM Serial #: ARES059337 PD EOI #: 1770

Arkansas, Cleburne County

T. 12 N., R. 11 W., Fifth Principal Meridian

Sec. 23, SE1/4SE1/4.

40.00 Acres \$60.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulation for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia bigeared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

#### Parcel #: ES-006-09/2018 BLM Serial #: ARES059346 PD EOI #: 1773

Arkansas, Cleburne County T. 11 N., R. 12 W., Fifth Principal Meridian Sec. 1, W1/2NW1/4NE1/4.

20.00 Acres \$30.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulation for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia bigeared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

#### Parcel #: ES-007-09/2018 BLM Serial #: ARES059347 PD EOI #: 726

Arkansas, Cleburne County T. 12 N., R. 8 W., Fifth Principal Meridian Sec. 2, Fractional NW1/4.

13.20 Acres \$21.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- BLM Stipulation for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia big-eared bat, northern long-eared bat, or gray bat.
- BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

Parcel #: ES-008-09/2018 BLM Serial #: ARES059348 PD EOI #: 726

Arkansas, Cleburne County T. 12 N., R. 8 W., Fifth Principal Meridian Sec. 8, NE1/4NE1/4 and NW1/4SE1/4.

80.00 Acres \$120.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

• BLM Stipulation for Cultural Resources and Tribal Consultation, Endangered Species, Sensitive Plant Species, Freshwater Aquatic Habitat, and Bats: Indiana bat, Ozark bigeared bat, Virginia big-eared bat, northern long-eared bat, or gray bat.

• BLM Lease Notices/Best Management Practices for Migratory Birds and Federally Listed Wildlife, Perching and Nesting Birds and Bats, Invasive and Non-Native Plant Species and Pesticide Application.

### Attachment 3: Michigan parcel list with associated stipulations, mitigation measures &

### Forest Service Surface, Acquired Minerals

Parcel #: ES-009-09/2018 BLM Serial #: MIES 059338 ACO EOI #: 1457

Michigan, Muskegon County, Huron-Manistee National Forest T. 11 N., R. 15 W., Michigan Meridian

Sec. 3, SW1/4NE1/4 and S1/2NW1/4.

120.00 Acres

\$180.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices #1, #2, #3, #5, #6, #10, #11
- Lease Stipulation #9 applies to all lands.

#### Parcel #: ES-010-09/2018 BLM Serial #: MIES 059339 ACQ EOI #: 1457

Michigan, Muskegon County, Huron-Manistee National Forest

T. 11 N., R. 15 W., Michigan Meridian

Sec. 4, E1/2NW1/4, W1/2NW1/4, SW1/4 and NE1/4SE1/4;

Sec. 5, E1/2 and E1/2NW1/4;

Sec. 9, NE1/4 and N1/2NW1/4.

1,006.86 Acres

\$1,510.50 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices #1, #2, #3, #5, #6, #10, #11
- Lease Stipulations #1, #2, #19 or #21 (no surface occupancy), applies to all lands in Sec. 4, Sec. 5, and Sec. 9.
- Lease Stipulation #9 applies to all lands
- Lease Stipulation #25 applies to all lands in Sec. 9.

#### Parcel #: ES-011-09/2018 BLM Serial #: MIES 059340 ACQ EOI #: 1457

Michigan, Muskegon County, Huron-Manistee National Forest

T. 11 N., R. 15 W., Michigan Meridian

Sec. 7, E1/2SE1/4 and E1/2SW1/4SE1/4.

100.00 Acres

\$150.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices #1, #2, #3, #5, #10, #11
- Lease Stipulation #9 applies to all lands.

Parcel #: ES-012-09/2018 BLM Serial #: MIES 059341 ACQ

**EOI #: 1457** 

Michigan, Muskegon County, Huron-Manistee National Forest

T. 11 N., R. 15 W., Michigan Meridian

Sec. 8, NW1/4NE1/4, SE1/4NE1/4, NE1/4SW1/4, W1/2SW1/4, N1/2SE1/4 and SW1/4SE1/4:

Sec. 16, N1/2NW1/4;

Sec. 17, ALL.

1,040.00 Acres

\$1560.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices #1, #2, #3, #5, #10, #11.
- Lease Stipulations #1, #2, or #21 (no surface occupancy) applies to Sec. 8, SWNWNE,
   Pt. NWNWSE, NESW; Sec. 16, Pt. NWNENW, Pt. NENWNW; Sec. 17 Pt. SWNE, Pt. NESW, W2SW, Pt. W2NW, Pt. NENW
- Lease Stipulation #9 applies to all lands
- Lease Stipulation #25 applies to all lands in Sec. 16.

#### Parcel #: ES-013-09/2018 BLM Serial #: MIES 059349 ACQ EOI #: 1457

Michigan, Muskegon County, Huron-Manistee National Forest

T. 11 N., R. 15 W., Michigan Meridian

Sec. 18, E1/2NE1/4, SE1/4NW1/4, E1/2SW1/4, N1/2SE1/4, E1/2SW1/4SE1/4 and SE1/4SE1/4.

340.00 Acres

\$510.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices #1, #2, #3, #5, #10, #11
- Lease Notice #6 applies to lands in Sec. 18
- Lease Stipulations #1, #2, or #21 (no surface occupancy) applies to Sec. 18, all lands.
- Lease Stipulation #9 applies to all lands.

#### Parcel #: ES-014-09/2018 BLM Serial #: MIES 059351 ACQ EQI #: 1457

Michigan, Muskegon County, Huron-Manistee National Forest

T. 11 N., R. 15 W., Michigan Meridian

Sec. 15, W1/2SE1/4.

80.00 Acres

\$120.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices: #1, #2, #3, #5, #6, #10
- Lease Stipulation #9 applies to all lands
- Lease Stipulation #25 applies to lands in Sec. 15.

Parcel #: ES-015-09/2018 BLM Serial #: MIES059352 ACQ

Michigan, Muskegon County, Blue Lake Township, Huron-Manistee National Forest T. 12 N., R. 16 W., Michigan Meridian Sec. 34, NW1/4SE1/4.

40.00 Acres

\$60.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

- Forest Service Standard Lease Stipulations
- Lease Notices #1, #2, #3, #5, #10.
- Lease Stipulation #2 (no surface occupancy) applies to Pt. NWSWNWSE.
- Lease Stipulation #9 applies to all lands.

### Private Surface, Public Domain Minerals

Parcel #: ES-016-09/2018 BLM Serial #: MIES059353 PD EOI#: 1465

Michigan, Muskegon County T. 11 N., R. 15 W., Michigan Meridian Sec. 11, NE1/4SW1/4.

40.00 Acres \$60.00 Rental

U.S. Mineral Interest: 100%

#### Subject to:

• Private surface stipulation for wetlands: No surface occupancy is permitted within wetlands. The BLM would grant a waiver to this stipulation for wetland activities for which the operator has obtained the necessary state and federal permits.

#### Attachment 4: Arkansas Notices & Stipulation Compilation

#### BLM Stipulations for Public Domain Minerals Located in Arkansas

#### **Cultural Resources and Tribal Consultation**

Stipulation: This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities. These obligations may include a requirement that you provide a cultural resources survey conducted by a professional archaeologist approved by the State Historic Preservation Office (SHPO). If currently unknown burial sites are discovered during development activities associated with this lease, these activities must cease immediately, applicable law on unknown burials will be followed and, if necessary, consultation with the appropriate tribe/group of federally recognized Native Americans will take place. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated.

#### **Endangered Species**

Stipulation: The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objective to avoid BLM-approved activity that will contribute to a need to list such a species or their habitat. BLM may require modifications to or disapprove proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligations under applicable requirements of the Endangered Species Act as amended, 16 U.S.C. 1531 et seq., including completion of any required procedure for conference or consultation.

Exception: None Modification: None Waiver: None

#### Sensitive Plant Species

Stipulation (CSU): All suitable special status plant species habitat will be identified during environmental review of any proposed surface use activity. If field examination indicates that habitat of one or more of these species is present, the BLM will require a survey by a qualified botanist for special status plants during periods appropriate to each species. Operations will not be allowed in areas where sensitive plants would be affected.

**Objective**: To protect threatened, endangered, candidate, proposed, and BLM sensitive plant species.

**Exception**: An exception may be granted if the operator agrees to implement measures developed in consultation with the USFWS and in coordination with State agencies.

Modification: The stipulation make be modified if it is determined that a portion of the lease does not contain sensitive plant species habitat.

Waiver: The stipulation may be waived if, based on field surveys, it is determined that the lease area does not contain sensitive plant species habitat.

#### Bats - Applies to all Arkansas EOI #s

**Stipulation (NSO)**: No surface occupancy or disturbance would be permitted within 10 miles of hibernacula, 5 miles of maternity roosts, and 2.5 miles of non-maternity record locations for the following species: gray bat, Indiana bat, Ozark big-eared bat, northern long-eared bat, and Virginia big-eared bat.

Objective: To avoid adverse effects to special status bats.

**Exception**: An exception may be granted if the project would not result in adverse effects to these special status bats or their habitat, with concurrence from the USFWS.

Modification: None.

Waiver: This stipulation may be waived if the lease does not contain suitable habitat for gray bat, Indiana bat, northern long-eared bat, Ozark big-eared bat, Virginia big-eared bat, with concurrence from USFWS.

**Stipulation (CSU)**: No removal of trees or snags over 5 inches in diameter permitted between March 16 and November 30 within known or potential range of the northern long-eared bat.

**Objective**: To prevent disturbance of summer/nursery roosting areas of special status bats. **Exception**: An exception may be granted if the project can be modified sufficiently to result in no adverse effect on special status species, with concurrence from the USFWS. **Modification**: None.

Waiver: None.

#### Freshwater Aquatic Habitat

**Stipulation (NSO)**: No surface occupancy or disturbance, including discharges, are permitted within 250 feet of a river, stream, wetland spring, headwater, wet meadow, wet pine savanna, pond, tributary, lake, coastal slough, sand bar, vernal pools, calcareous seepage marsh, or small, marshy calcareous stream. If the slope exceeds 10 percent, the buffer may be extended to 600 feet to provide adequate protection for aquatic habitats and associated species.

Regardless of buffer width, appropriate sediment and erosion control BMPs should be implemented as defined in the following USFWS documents: (1) Arkansas Best Management Practices for Fayetteville Shale Natural Gas Activities (2007) and (2) Arkansas Best Management Practices for Natural Gas Pipeline Construction and Maintenance Activities in the Fayetteville Shale Area - Upper Little Red River Watershed (2009). These BMP documents can be found at <a href="https://www.fws.gov/arkansas-es/docs/">https://www.fws.gov/arkansas-es/docs/</a>.

**Objective**: To protect the water quality of watersheds and natural stream substrate and morphology and to avoid potential impacts to aquatic species and their habitat.

Exception: An exception may be granted if the operator agrees to 1) span creeks, rivers, wetlands, and floodplains by attaching pipelines to bridges; 2) directionally drill wells and pipelines from upland sites under creeks, rivers, other waters, and wetlands or 3) implement other measures developed in consultation with USFWS and in coordination with State agencies.

**Modification**: The buffer may be reduced if the adjacent waterway has been surveyed for 100 yards upstream and 300 yards downstream of the site, and the results document the lack of suitable/occupied/critical habitat for listed species which may be affected by the project, as determined by the BLM and USFWS.

Waiver: None

#### Migratory Birds and Federally Listed Wildlife

**Stipulation**: Any reserve pit that is not closed within 10 days after a well is completed and that contains water must be netted or covered with floating balls, or another method must be used to exclude migratory birds.

All power lines must be built to protect raptors and other migratory birds, including bald eagles, from accidental electrocution, using methods detailed by the Avian Power Line Interaction Committee (APLIC 2006).

**Objective**: To protect perch and roosting sites and terrestrial habitats for and to avoid potential impacts to migratory birds and federally listed wildlife.

#### Perching and Nesting Birds and Bats

Stipulation: Open vent stack equipment, such as heater-treaters, separators, and dehydrator units, will be designed and constructed to prevent birds and bats from entering or nesting in or on such units and, to the extent practical, to discourage birds from perching on the stacks. Installing coneshaped mesh covers on all open vents is one suggested method. Flat mesh covers are not expected to discourage perching and will not be acceptable.

Objective: To prevent birds and bats from entering or nesting in or on open vent stack equipment.

#### **Invasive and Non-Native Species**

Stipulation: Use of native or non-invasive plants in seeding mixtures will be encouraged to stabilize disturbed areas and during restoration activities. Construction sites will be surveyed for invasive species prior to ground disturbance. If invasive species are found, the proper control measures will be used to either eradicate the species from the area or minimize its spread to other areas. If cogongrass is found on site, equipment will be washed before exiting the site to prevent the spread of this highly invasive species to other locations. Post-construction monitoring for cogongrass and other invasive plant species should be conducted to ensure early detection control. In the case of split-estate lands, final seed mixtures will be formulated in consultation with the private landowner.

**Objective**: To discourage the spread of invasive, non-native plants.

#### **Pesticide Application**

**Stipulation**: Any ground application of herbicides or other pesticides, sterilants, or adjuvants within 150 feet of listed species or habitat will require site-specific control measures developed in coordination with or in formal consultation with USFWS. No aerial application of herbicides or pesticides will be permitted.

**Objective**: To protect the water quality of watersheds and natural stream substrate and morphology supporting special status species and their host species.

#### Attachment 5: Michigan Stipulation Compilation

# Forest Service Notices and Stipulations for Acquired Minerals Located in Michigan

#### Lease Notices

Lease Notice #1) Operations under this lease will be consistent with the Standards and Guidelines found in the Huron-Manistee National Forests Land and Resource Management Plan and hereby incorporated into this lease in their entirety.

Lease Notice #2) Surface disturbance will be limited to that necessary for reasonable, safe and prudent extraction of the oil and gas. Measures will be implemented to minimize erosion and sedimentation. Road and stream crossings will be planned to eliminate stream crossings whenever practical.

Lease Notice #3) Processing of proposed surface use plans of operation on National Forest System lands includes site-specific analysis to determine effects to threatened, endangered, or sensitive species. This analysis may require surveys for certain plants and/or animals. Depending upon the species of concern, it may be necessary to survey through spring, summer, and fall. The extent of required surveys could delay permit issuance. Operators are encouraged to submit proposals as soon as possible to facilitate the scheduling of necessary survey work.

Lease Notice #4) All or portions of this lease parcel is located in Management Area 4.2, Roaded Natural Sandy Plains and Hills (Huron-Manistee National Forests Land and Resource Management Plan). A reclamation plan for all wells, pipelines, production facilities and access routes must be submitted to the Forest Line Officer in charge for approval. Disturbed areas will be restored after completion of drilling and/or production operations. Permanent vegetative cover will consist of a mixture of native warm season grasses. These will be scheduled for establishment just prior to the next growing season, generally late April, May or early June.

Lease Notice #5) Lands included in this lease parcel are being managed as a wildlife emphasis area or Karner blue butterfly management unit and occupancy is subject to more restrictive controls than routine areas.

Lease Notice #6) Portions of this lease parcel have had occurrences of certain threatened, endangered, or sensitive species or communities. At the time a drilling permit application or other request for surface use is filed, a site-specific review will be done to determine potential effects to these species. Depending upon the findings of the site-specific review, additional operating constraints, such as seasonal restrictions or re-location of the proposed wellsite, may be necessary to mitigate effects to threatened, endangered, or sensitive species or communities.

Lease Notice #7) Portions of this lease parcel contain known heritage resource sites. At the time a drilling permit application or other request for surface use is filed, a site-specific review will be done to determine potential effects to these sites. Depending upon the findings of the site-specific

review, additional operating constraints, such as re-location of the proposed wellsite, may be necessary to mitigate effects to heritage resources.

Lease Notice #8) A portion of this lease parcel is in an area proposed for timber harvest activities. If oil and gas activities and timber harvesting are proposed concurrently, use conflicts between the oil and gas operator and timber purchaser would need to be resolved prior to issuance of a Federal drilling permit.

Lease Notice #9) Parcel is surrounded entirely by private land and access must be negotiated with adjacent landowners.

Lease Notice #10) This lease parcel is located in an area considered to be habitat for the northern long-eared bat (Myotis septentrionalis). At the time a drilling permit application or other request for surface use is filed, a site-specific review will be conducted and potential impacts to this species will be assessed. Depending upon the findings of the site-specific review, additional operating constraints, such as a seasonal restriction on tree felling, may be necessary to mitigate adverse effects.

Lease Notice #11) This lease parcel is located in an area considered to be habitat for the eastern massasauga rattlesnake (Sistrurus catenatus). At the time a drilling permit application or other request for surface use is filed, a site-specific review will be conducted and potential impacts to this species will be assessed. Depending upon the findings of the site-specific review, additional operating constraints, such as re-location of the proposed wellsite or seasonal operating restrictions, may be necessary to mitigate adverse effects.

#### Lease Stipulations

Stipulation #1) No surface occupancy is permitted on this parcel within 300 feet, measured at a perpendicular, from the normal high water mark of any river, stream, or lake. If site-specific examination determines that rivers, streams or lakes do not exist on the lease parcel, this stipulation may be waived.

Stipulation #2) No surface occupancy is permitted on this parcel due to the presence of wetlands. If site-specific examination determines that wetlands do not exist on the lease parcel, this stipulation may be waived.

Stipulation #3) All or portions of this lease parcel are located in an area managed as Old Growth. In accordance with the Huron-Manistee National Forests' Forest Plan, no surface occupancy is permitted on this parcel due to the lack of existing reasonable access. If an on-the-ground review of this tract indicates reasonable access does exist, this stipulation may be waived. Any subsequent surface occupancy would be limited to those existing roads and trails.

Stipulation #4) All or portions or this lease parcel are located in an area managed as Old Growth. Surface disturbing activities will take place outside of old growth where there are reasonable alternative locations. Due to the presence of existing reasonable access via roads/trails, surface occupancy is permitted, however, is limited to existing roads and trails.

**Stipulation #5)** All or portions of this lease parcel are located in an area managed as a semi-primitive nonmotorized area. Production facilities will be located outside the area when practical and needed pumps will be run by electric motors or equipped to minimize noise.

**Stipulation #6)** This parcel is located in an area managed as a semi-primitive nonmotorized area. The Huron-Manistee National Forests' Forest Plan limits surface location density in these areas. The maximum surface development density in this area is 1 surface location per 640 acres.

Stipulation #7) This parcel is located in an area managed as a semi-primitive nonmotorized area. Roads must use existing transportation corridors when compatible, feasible and practical.

**Stipulation #8)** This parcel is located within a Wild and Scenic River Corridor. No surface occupancy for oil and gas development will be permitted within this corridor.

**Stipulation** #9) All or portions of this lease parcel are located in potential Indiana bat habitat. Surface disturbing activities that involve tree removal will be prohibited between May 1 and August 31 if suitable Indiana bat habitat is found to be present. This stipulation may be waived if site-specific review of the proposal determines that suitable habitat is not present.

Stipulation #10) All or portions of this lease parcel are located within a 5-mile radius of Tippy Dam (Indiana bat hibernaculum). No surface occupancy will be permitted on all or portions of this lease for surface disturbing activities associated with site construction and/or oil and gas drilling between May 1 and October 20. This stipulation may be waived based on site-specific review of the proposal and identification of potential effects on the Indiana bat.

**Stipulation #11)** The North Country National Scenic Trail runs through all or portions of this lease parcel. No surface occupancy will be permitted for areas within 300 feet, measured at a perpendicular, from each side of the Trail. If site-specific examination determines that the North Country National Scenic Trail is not located on the lease parcel, this stipulation may be waived.

Stipulation #12) All or portions of this lease are located in an area of steep, fragile slopes. No surface occupancy is permitted on identified areas. This stipulation may be waived based on site-specific review of proposed location and soil types.

Stipulation #13) This parcel is located within the corridor of a Study Wild and Scenic River. No surface occupancy for oil and gas development will be permitted within this corridor.

Stipulation #14) All or portions of this lease are located near the River Road National Scenic Byway. No surface occupancy is permitted within 300 feet of the Byway.

Stipulation #15) All or portions of this lease are located in areas managed as Kirtland's warbler essential habitat. Surface location density restrictions as outlined below will apply in these areas:

Age of Essential Habitat	Maximum Development Density
0 to 25 years	1 surface location per 640 acres
26 to 40 years	1 surface location per 160 acres
Older than 40 years old	1 surface location per 640 acres

The priority for identifying surface locations are: 1) First priority will be stands (or inclusions of stands) that are not biologically appropriate for the development of breeding habitat for Kirtland's warbler, 2) Second priority will be stands within essential habitat that are greater than 26 years old, and 3) Third priority will be stands within essential habitat that are 0 to 25 years old. Exceptions may be granted through consultation with the Forest Service and the U.S. Fish and Wildlife Service.

No drilling, exploration, construction or maintenance involving the use of heavy equipment shall take place within one-half mile of or create noise greater than 85 decibels in occupied habitat, between May 1 and September 30. In occupied habitat, proven wells can be operated between October 1 and April 30, but between May 1 and September 30 only if they are flowing or operated by bottom-hole pump and 1) the product is transported by buried pipeline; 2) collection and storage facilities are located off essential habitat where reasonable; 3) noise from production operations will be less than 85 decibels at 100 feet, and 4) access is limited to routine monitoring of the well.

Stipulation #16) All or portions of this lease are located in an area designated as a Research Natural Area. No surface occupancy for oil and gas development is permitted in areas so designated.

Stipulation #17) All or portions of this lease are located in an area designated as a Candidate Research Natural Area. No surface occupancy for oil and gas development is permitted in areas so designated.

Stipulation #18) A portion of this lease tract includes a Forest administrative site. No surface occupancy for oil and gas development will be permitted in this area.

Stipulation #19) A portion of this lease tract includes a Forest developed recreation site. No surface occupancy for oil and gas development will be permitted in this area.

Stipulation #20) A portion of this lease tract is involved in the North American Long-Term Soil Productivity Study. Until completion of this study, no surface occupancy will be permitted on those portions of the lease tract that are included in this study.

**Stipulation #21)** This parcel contains lands designated as occupied Karner blue butterfly habitat. No surface occupancy for oil and gas development is permitted in areas so designated.

Stipulation #22) This parcel is located in an area managed as a semi-primitive motorized area. The Huron-Manistee National Forests' Forest Plan limits surface location density in these areas. The maximum surface development density in this area is 1 surface location per 160 acres. Production facilities will be located outside the area when practical and needed pumps will be run by electric motors or equipped to minimize noise.

Stipulation #23) This parcel is located in an area managed as a Special Area or contains sensitive communities. No surface occupancy for oil and gas development is permitted in areas so designated.

**Stipulation #24)** No surface occupancy will be permitted for areas within 300 feet, measured at a perpendicular, from each side of existing and/or planned Visual Sensitivity Level 1 trails within the lease parcel. In areas with a high concentration of trails, this may preclude occupancy on the entire parcel.

Stipulation #25) This parcel contains lands identified as eastern massasauga rattlesnake habitat. No surface occupancy for oil and gas development is permitted in areas so designated. Exceptions may be granted through consultation with the Forest Service and the U.S. Fish and Wildlife Service.

## BLM Stipulation for Public Domain Minerals Located in Michigan EOI 1465 (Private Surface)

#### Wetlands

**Private Surface Stipulation**: No surface occupancy is permitted within wetlands. The BLM would grant a waiver to this stipulation for wetland activities for which the operator has obtained the necessary state and federal permits.